

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 12172 01 OF 02 081728Z
ACTION STR-07

INFO OCT-01 EA-10 IO-13 ISO-00 STRE-00 AF-10 ARA-10
EUR-12 NEA-10 OIC-02 CEA-01 CIAE-00 COME-00
DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15
ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01 DOE-15
AGR-01 JUSE-00 DOEE-00 SSO-00 OES-09 DLOS-09 /187 W
-----001092 081801Z /44

P 081645Z AUG 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 3029
INFO AMEMBASSY SEOUL

LIMITED OFFICIAL USE SECTION 01 OF 02 GENEVA 12172

USMTN
ACTION STR PASS ELECTRICALLY
STR PASS CODEL

E.O.11652:N/A
TAGS: MTN, ETRD, KS
SUBJECT: USMTN-ROK BILATERAL AUGUST 4, 1978

1. SUMMARY. USMTN (MIMS, MALISH) HELD FINALPRE-AUGUST
BREAK BILATERAL WITH ROK DELEGATION (LEE, HUH). LEE ASKED
THAT SEVERAL ITEMS BE DROPPED FROM THE ROK REQUEST LIST
AND, AFTER SOME PRODDING, FINALLY IDENTIFIED LICENSING
LIBERALIZATION ITEMS WHICH CORRESPOND TO U.S. INDICATIVE
LIST INCLUDING U.S. EARLY LIST FOR IMPROVED "MARKET
ACCESS." WE BELIEVE ROK HAS PREPARED ITS NTM OFFER AND
THAT WE MAY GAIN A FEW ITEMS, BESIDES THOSE IDENTIFIED,
WHICH MAY BE OFFERED BY ROK TO EC OR OTHER REQUESTORS.
AT NEXT MEETING, SCHEDULED FOR MID-SEPTEMBER, WE PROPOSE
IDENTIFYING PRIORITY U.S. NTM AND TARIFF REQUESTS FOR BOTH
INDUSTRIAL AND AGRICULTURAL PRODUCTS SO THAT THE FINAL
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 12172 01 OF 02 081728Z

OUTLINE OF A US-ROK BILATERAL BALANCE WILL BE SKETCHED OUT
BY MID-OCTOBER. END SUMMARY.

2. DELETIONS FROM ROK REQUEST LIST. LEE OPENED MEETING
BY ASKING THAT 28 ITEMS BE DELETED FROM ROK INITIAL
(MAY 3, 1978) REQUEST LIST. THESE ITEMS WERE GENERALLY
NO TRADE ITEMS FOR KOREA. SEVERAL, HOWEVER, WERE IMPORTANT

TRADE ITEMS, INCLUDING TSUSA 685.2049, 685.2058, BLACK AND WHITE TV SETS AND KITS, 745.72, CERTAIN SLIDE FASTENERS, 408.45, SACCHARIN, AND 648.81, SLIP-JOINT PLIERS. LEE OFFERED NO RATIONALE FOR THE REQUESTED DELETIONS. COMPLETE LIST FOLLOWS: TSUS 310.50, 320.30, 403.08, 403.48, 403.50, 403.80, 403.90, 405.15, 405.20, 405.25, 407.80, 407.85, 408.45, 409.00, 533.66, 533.68, 534.87, 546.54, 546.56, 607.31, 608.78, 608.85, 609.45, 629.15, 648.81, 685.2049, 685.2058, 745.72, 475.70.

3. FISH. LEE EXPLAINED THAT TARIFF RATES ON FISH (BTN 03.01), INCLUDING FROZEN HERRING AND POLLOCK (EXCEPT FOR FILLETS) WHERE THE U.S. HAD EXPRESSED INTEREST, WERE THE SUBJECT OF A TEMPORARY TARIFF REDUCTION--FROM 30 PERCENT TO 20 PERCENT AD VALOREM--UNTIL SEPTEMBER 30, 1978. THIS MEASURE WAS TAKEN, LEE SAID, TO STABILIZE THE DOMESTIC PRICE. IN LIGHT OF THE DOMESTIC INFLATION IN KOREA, MTN DEL EXPRESSED HOPE THAT THIS REDUCTION COULD BE MADE PERMANENT. REGARDING U.S. LICENSING REQUESTS, LEE SAID THAT FROZEN HERRING WAS ALREADY LIBERALIZED, AS OF MARCH 1978, BUT HE WAS UNABLE TO SAY WHETHER THIS WAS A PERMANENT OR TEMPORARY MEASURE. OTHER FISH ITEMS REMAIN SUBJECT TO IMPORT APPROVAL. LEE ALSO NOTED THAT IT WOULD BE POSSIBLE TO EX-OUT POLLOCK AND HERRING FROM THE TWO FISH FILLET ITEMS (ROK TARIFF 03.010700, 03.010800).

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 12172 01 OF 02 081728Z

4. ROK NTM OFFER (LICENSING). US MTN DEL RECALLED EARLIER CONVERSATIONS IN WHICH WE HAD STRESSED THE NEED FOR POSITIVE IDENTIFICATION OF ITEMS RECENTLY LIBERALIZED BY ROK TO SEE WHETHER OR NOT THEY CORRESPOND TO U.S. INDICATIVE LISTS. LEE PLEADED NO INSTRUCTIONS, AND TECHNICAL CONCORDANCE PROBLEMS IN MATCHING LIBERALIZATION MEASURES AGAINST U.S. REQUESTS. US MTN DEL REPLIED THAT WITHOUT SOME POSITIVE INDICATIONS OF WHAT KOREA INTENDED TO DO IN THE MTN, WE SEEMED TO BE "PULLING APART" IN THE NEGOTIATIONS. LEE THEN AGREED TO PROVIDE ON AN INFORMAL BASIS BTN HEADINGS WHERE RECENT LIBERALIZATION ACTIONS MATCHED U.S. REQUESTS. (NOTE: RESPONSES SEEM GEARED TO U.S. "MARKET ACCESS" REQUESTS OF NOVEMBER 1, 1977, AS WELL AS MORE RECENT MARCH 28, 1978 INDICATIVE LIST AT TARIFF LINE LEVEL.) IN EACH CASE, AUTOMATIC APPROVAL OF IMPORT LICENSES WAS PROVIDED FOR:

29.14 (U.S. REQUESTED MARKET ACCESS); EX29.15 (MARKET ACCESS); EX33.04 (MARKET ACCESS); 38.08 (MARKET ACCESS); EX39.01; EX39.02 (MARKET ACCESS); EX39.03 (MARKET ACCESS); 44.03 (MARKET ACCESS); 47.01; EX73.23 (MARKET ACCESS); 82.01; EX84.06; EX84.10; EX84.11; 84.16 (MARKET ACCESS);

EX84.22; EX84.23; EX84.44 (MARKET ACCESS); EX84.52
(MARKET ACCESS); EX84.53 (MARKET ACCESS); EX84.56;
EX84.61; EX84.62 (MARKET ACCESS); EX85.06 (MARKET ACCESS);
EX85.19; EX87.07; EX87.06.

(COMMENT: THIS LIST OF 27 ITEMS "ALREADY LIBERALIZED"
WILL PROBABLY BECOME PART OF KOREA'S NONTARIFF MEASURES
OFFER WHEN THAT OFFER IS CONVEYED TO THE GATT. U.S. MADE
SOME 71 SPECIFIC TARIFF LINE NTM LICENSING REQUESTS OF ROK,
BUT AS SHOWN ABOVE, MANY ROK RESPONSES ARE TO OUR EARLIER
"MARKET ACCESS" REQUESTS RATHER THAN OUR REFINED LISTS.
END COMMENT.)

5. OTHER ROK NTM'S. LEE PROVIDED MORE RESPONSES ON
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 GENEVA 12172 01 OF 02 081728Z

SEVERAL OTHER U.S. NTM REQUESTS: LOCAL CONTENT REQUIRE-
MENTS (MOTOR VEHICLES) -- KOREA WANTS TO MAINTAIN THE

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 GENEVA 12172 02 OF 02 081726Z
ACTION STR-07

INFO OCT-01 EA-10 IO-13 ISO-00 STRE-00 AF-10 ARA-10
EUR-12 NEA-10 OIC-02 CEA-01 CIAE-00 COME-00
DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15
ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01 DOE-15
AGR-01 JUSE-00 DOEE-00 SSO-00 OES-09 DLOS-09 /187 W
-----001064 081801Z /44

P 081645Z AUG 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 3030
INFO AMEMBASSY SEOUL

LIMITED OFFICIAL USE SECTION 02 OF 02 GENEVA 12172

PRESENT SYSTEM. (NOTE: OUR REQUEST HERE IS TO "BIND AT
LEVELS TO BE NEGOTIATED." USMTN DEL NEEDSSOME PRECISE
GUIDANCE AS TO THE NATURE OF THE U.S. REQUEST IF WE ARE TO

PURSUE THIS FURTHER.) FRUIT -- LEE NOTED IT SEEMED "INEVITABLE" TO PROTECT FARMERS; HOWEVER, SOME FRUITS AND VEGETABLES FOR HOTELS COULD BE IMPORTED IF IMPORTERS GET APPROVAL FROM THE FOREIGN EXCHANGE BANK; FRESH AND PROCESSED VEGETABLES -- VEGETABLES, EXCEPT FOR GARLIC AND ONIONS, WILL HAVE AUTOMATIC APPROVAL AND CAN BE "IMPORTED FREELY." BEEF -- IMPORTS ARE ALLOWED MAINLY TO ADJUST DOMESTIC DEMAND AT PEAK PERIODS; DEMAND IS INCREASING, BUT NEW ZEALAND AND AUSTRALIAN BEEF IS GENERALLY CHEAPER THAN U.S. BEEF.

6. FOR WASHINGTON: MTN DEL FEELS THAT LEE MADE AN HONEST EFFORT TO MOVE NEGOTIATIONS FORWARD BY PASSING ON DETAILS OF ROK LIBERALIZATION MEASURES KEYED TO U.S. REQUESTS, IN SPITE OF BEING HAMPERED BY OBVIOUSLY SKETCHY INSTRUCTIONS. WE HAVE ASKED FOR DETAILED WRITTEN RESPONSES TO OUR REQUESTS WHEN WE RESUME IN SEPTEMBER, AT WHICH TIME LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 12172 02 OF 02 081726Z

WE INTEND TO INDICATE U.S. PRIORITIES AND PUSH FOR IMPROVEMENTS IN HIGH-PRIORITY ITEMS. IT WOULD BE HELPFUL IF WE COULD BE IN A POSITION TO OFFER U.S. TARIFF IMPROVEMENTS ON ITEMS OF INTEREST TO THE ROK AS WELL.

7. FOR SEOUL: THANKS FOR THE HELP ON FISH AND YOUR CAREFUL REPORTING ON SEOUL'S MTN EFFORTS. YOU MIGHT BE INTERESTED IN LEE'S RESPONSE WHEN WE TRIED TO LINK ROK CONCESSIONS TO THEIR INFLATION-FIGHTING EFFORTS. HE REPLIED THAT THE REMITTANCES FROM KOREANS IN THE MIDDLE EAST ARE SO LARGE THAT KOREAN BANKS--GET THIS--"SOMETIMES DON'T HAVE ENOUGH LOCAL CURRENCY TO PAY OFF*"

8. DRAFTED BY MALISH. MCDONALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN TRADE, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA12172
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780324-0570
Format: TEL
From: GENEVA USMTN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780888/aaaacwfi.tel
Line Count: 207
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9d2e0467-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1808521
Secure: OPEN
Status: NATIVE
Subject: USMTN-ROK BILATERAL AUGUST 4, 1978
TAGS: ETRD, KS, MTN, (LEE, HUH)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/9d2e0467-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014